



Order Filed on October 11, 2023  
by Clerk  
U.S. Bankruptcy Court  
District of New Jersey

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

**Caption in Compliance with D.N.J. LBR 9004-1(b)**

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In re:

BLOCKFI INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 22-19361 (MBK)

(Jointly Administered)

**Hearing Date and Time:**

**October 10, 2023, at 11:00 a.m. (ET)**

**ORDER GRANTING DEBTORS' MOTION FOR ENTRY OF AN ORDER  
(I) AUTHORIZING AND APPROVING THE SETTLEMENT AND RELEASE  
OF CLAIMS BY AND AMONG BLOCKFI INC. AND DESERVE, INC.  
AND (II) GRANTING RELATED RELIEF**

**DATED: October 11, 2023**

A handwritten signature in black ink, appearing to read "Michael B. Kaplan".  
Honorable Michael B. Kaplan  
United States Bankruptcy Judge

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Debtors: BLOCKFI INC., *et al.*

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The relief set forth on the following pages, numbered three (3) through five (5) is

**ORDERED.**

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The Debtors filed their *Debtors' Motion for Entry of an Order (I) Authorizing and Approving the Settlement and Release of Claims By and Among BlockFi Inc. and Deserve, Inc. and (II) Granting Related Relief* (the "Motion")<sup>2</sup> seeking an order of this Court (i) authorizing the Debtors' entry into and approving the Deserve Settlement and (ii) granting related relief; the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §1334; consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; due notice hereof having been given; a hearing thereon having been held; the Court having considered the Debtors' request for relief, and opposition thereto, if any; and the Court finding good and sufficient cause for ordering the relief requested in the Motion; it appearing that the relief requested in the Motion is in the best interest of the Debtors and their respective estates and creditors; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing:

**IT IS HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.
2. The terms of and transactions contemplated in the Deserve Settlement are hereby approved.
3. The Debtors are authorized and directed to (a) enter into, execute, deliver and perform under the Deserve Settlement and any other documents and instruments in connection

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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therewith, and the transactions contemplated therein; (b) take all actions necessary or appropriate in connection with the Deserve Settlement, including to immediately continue and fully implement the Deserve Settlement and the settlements and transactions embodied therein; (c) take all such other actions, provide all such further assurances, and execute, acknowledge, deliver and perform under, all such other documents and instruments as shall be necessary, appropriate or desirable to fully implement the Deserve Settlement and the settlements and transactions embodied therein; and (d) fully consummate and effect the transactions provided for, and carry out the relief granted, in this Order in accordance with the terms of the Deserve Settlement.

4. The Deserve Settlement is the product of extensive, good faith, arms-length negotiations between Deserve and the Debtors and their respective representatives.

5. Effective upon the Effective Date of Deserve Settlement (as defined therein), to the extent applicable, the automatic stay pursuant to section 362(a) of the Bankruptcy Code is hereby lifted solely for purposes of implementing the Deserve Settlement and the settlements and transactions contemplated therein, and/or to permit Deserve to enforce the terms of the Deserve Settlement and exercise its rights and remedies thereunder, subject to the terms of the Deserve Settlement and this Order.

6. Pursuant to Section 4 of the Deserve Settlement (as amended in this Order to provide for accounting updates), within two (2) calendar days of the Effective Date, the Parties agree to consummate the following transactions:

- a. Deserve shall pay to BlockFi \$975,592.99 in full satisfaction of all amounts due and owing from either Party to the other for Program Operation Fees, Monthly Program Management Fees and/or Interchange Fees under the MSA.

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- b. Deserve shall maintain an amount in the Collateral Account, equal to \$1,376,446.63, which amount represents the current open balance for the Collateralized Partner Card Accounts, inclusive of current Delinquent Receivables.
- c. Deserve shall release and remit to BlockFi all funds in the Collateral Account that exceed \$1,376,446.63, which total \$3,131,757.00.
- d. Upon the Effective Date, the total initial distribution to be remitted to BlockFi in accordance with Sections 4(a) and 4(b)(ii) of the Deserve Settlement is \$4,107,349.99.

7. To the extent that there is any inconsistency between the Motion and this Order, the provisions of this Order shall govern.

8. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry.

9. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.